

## THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1246.  
FILED, JANUARY 22nd, 1965.

### GULCH MINES LIMITED

Full corporate name of company

Incorporated under the Corporations Act of Ontario by Letters Patent dated the 7th Particulars of incorporation (e.g., incorporated under Part IV of the Corporations Act, 1953 of December, (Ontario) by Letters Patent dated May 1st, 1957), 1953.

### FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Option to purchase mining claims from Contact Gold Mines Limited -- see Item 11.								
2. Head office address and any other office address.	Head Office - Suite 710, 60 Yonge Street, Toronto 1, Ontario								
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<table> <tr> <td><u>President and Director</u> James A. Grant, 60 Yonge St., Toronto Stock Broker</td><td><u>Director</u> George M. Grant, 182 Moore Ave., Toronto Executive</td></tr> <tr> <td><u>Vice-President &amp; Director</u> Foster W. Hewitt, 1 Grenville St., Toronto Radio Executive</td><td><u>Director</u> S. D. Taylor, Drake Hotel, Regina, Sask. Executive</td></tr> <tr> <td><u>Sec.-Treas. and Director</u> H. L. Good, 60 Yonge St., Toronto Chartered Accountant</td><td><u>Director</u> George F. Hayhurst, 108 Rosedale Heights Dr., Toronto 7, Ontario, Advertising Executive</td></tr> <tr> <td><u>Director</u> Sidney H. Robinson, 2402 - 44 King St. W., Toronto Queen's Counsel.</td><td></td></tr> </table>	<u>President and Director</u> James A. Grant, 60 Yonge St., Toronto Stock Broker	<u>Director</u> George M. Grant, 182 Moore Ave., Toronto Executive	<u>Vice-President &amp; Director</u> Foster W. Hewitt, 1 Grenville St., Toronto Radio Executive	<u>Director</u> S. D. Taylor, Drake Hotel, Regina, Sask. Executive	<u>Sec.-Treas. and Director</u> H. L. Good, 60 Yonge St., Toronto Chartered Accountant	<u>Director</u> George F. Hayhurst, 108 Rosedale Heights Dr., Toronto 7, Ontario, Advertising Executive	<u>Director</u> Sidney H. Robinson, 2402 - 44 King St. W., Toronto Queen's Counsel.	
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<u>Director</u> Sidney H. Robinson, 2402 - 44 King St. W., Toronto Queen's Counsel.									
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized Capital - 5,000,000 shares - \$1.00 par value Issued Capital - 4,150,375 shares								
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	NIL								
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	None except for shares that may be issued upon exercise of the option pursuant to the Agreement referred to in Item 11.								
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	NONE								
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None by the Company.								
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company acquired the exclusive right and option to purchase 41 mining claims owned by Contact Gold Mines Limited in the LaRonge Mining District in the Province of Saskatchewan. It is the Company's intention to examine and explore the said mining claims in accordance with the recommendations of H. S. Wilson, Consulting Geologist whose report is attached hereto and if deemed advisable, to develop and mine the same. The Company has no present intention of selling treasury shares other than the 500,000 shares to be issued as aforesaid to Contact Gold Mines Limited upon exercise of the said Option.								
10. Brief statement of company's chief development work during past year.	The Company has done no development work on its properties but has examined outside properties during the past year.								
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	<p>Option to purchase mining claims for shares - by Agreement dated 22nd of December, 1964 with Contact Gold Mines Limited ("Contact" herein) a Saskatchewan Company, Gulch acquired the exclusive right and option to purchase 41 mining claims in the LaRonge Mining District in the Province of Saskatchewan in consideration of the payment to Contact of the sum of \$5,000.00. Gulch agreed to expend during the currency of the option a minimum sum of \$20,000.00 on or in connection with the said mining claims. The said option to purchase may be exercised by Gulch at any time on or before the 15th of February, 1967 and if exercised, the said mining claims shall thereupon be transferred to Gulch and in consideration therefor Gulch shall forthwith allot and issue to Contact 500,000 shares of Gulch. The said Agreement is subject (a) to approval by the shareholders of Contact and (b) to acceptance for filing by the Toronto Stock Exchange of a filing statement respecting this transaction, and (c) to the Government of Saskatchewan agreeing to pay to Gulch a 50% rebate on exploration expenses incurred on the said mining claims during the currency of the Agreement.</p> <p>NOTE: The said Agreement was approved by the shareholders of Contact Gold Mines Limited on January 11, 1965 and the Government of Saskatchewan has agreed to pay to Gulch the said 50% rebate on exploration expenses incurred on the said mining claims during the currency of the Agreement.</p> <p>In the event the said option to purchase is exercised and the 500,000 shares of Gulch Mines Limited are issued, 10% of the said shares will be issued free and the remaining 90% will be deposited in escrow with the transfer agent for Gulch Mines Limited subject to release only upon the written consent of the Toronto Stock Exchange.</p>								



# FINANCIAL STATEMENTS

## GULCH MINES LIMITED

BALANCE SHEET as at December 31, 1964

### ASSETS

Current:			
Cash	\$	12,153.15	
Securities at cost less proceeds from sales		62,380.77	
(Approximate quoted value - \$131,528.00)	\$		74,533.92
Mining Claims - at cost:			
Saskatchewan - Beaverlodge Area		104,500.00	
Ontario - Geraldton Area		16,074.00	120,574.00
Mine, Plant and Equipment - at nominal value			1.00
Organization Expense			5,021.91
Deferred Exploration, Development and Other Expenditures:			
Balance as at December 31, 1963		1,656,551.38	
Write-down of mine, plant and equipment to nominal value		4,399.00	
Net Expenditures for the year ended December 31, 1964		9,710.74	1,670,661.12
			\$1,870,791.95

### LIABILITIES

Current:			
Accounts Payable and Accrued			712.95
Capital Stock:			
Authorized - 5,000,000 shares of \$1.00 par value each		\$5,000,000.00	
Issued -			
4,150,375 shares		4,150,375.00	
Less discount		2,280,296.00	1,870,079.00

Approved on behalf of the Board

"J.A. Grant".....Director

"S.H. Robinson".....Director

G U L C H   M I N E S   L I M I T E D

DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 1964

Exploration and Development

Investigation of new properties:			
Consultants' fees	\$1,050.00		
Travelling, telephone, etc.	74.80	\$1,124.80	
Examination of Lac La Ronge			
Property in Saskatchewan:			
Travelling expenses to investi-			
gate advisability of			
exploratory programme	282.40		
Payment for field work and			
travelling expenses of			
prospector	500.00		
Geologists' fees	400.00		
Miscellaneous expenses	73.25	1,255.65	
Taxes on Ontario property		82.09	\$2,462.54

Administration

Expenses of reports and annual			
meeting		387.31	
Executive salary and fees		4,320.00	
Government filing fees and taxes		82.24	
Legal and audit expense		550.00	
Listing fee		100.00	
Office space and facilities		1,200.00	
Office supplies and expense,			
stationery, postage, etc.		158.66	
Transfer agent and registrar		641.37	7,439.58
			9,902.12

Deduct

Interest earned on funds on deposit		191.38	
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Net Expenditure \$9,710.74

Statement of Source and Application of Funds  
For the Year Ended December 31, 1964

Source of Funds:

Accounts Receivable of December 31, 1963			
Paid in Full	\$ 1,719.72		
Cash received from sale of securities	22,521.00		
			\$24,240.72

Application of Funds:

Accounts payable of December 31, 1963		272.28	
Purchase of additional securities		5,008.00	
Net expenditures for year ended			
December 31, 1964	\$ 9,710.74		
Less Accounts payable and			
accrued, December 31, 1964	712.95	8,997.79	
			14,278.07

Net Increase in Cash \$ 9,962.65

NOTE:

Cash, December 31, 1964	12,153.15
Cash, December 31, 1963	2,190.50
Increase for year	\$ 9,962.65

Signed on behalf of the Board:

"J.A. Grant" ..... Director  
 "S.H. Robinson" ..... Director



## ENGINEER'S REPORT

Note:-The following are excerpts from a report by H. S. Wilson, P. Eng., dated December 9th, 1964, on mining claims located north and west of Preview Lake, La Ronge Mining District, Province of Saskatchewan. A complete copy of this report is on file with the Toronto Stock Exchange.

### CONCLUSIONS

The property owned by Contact Gold Mines Limited, which consists of 41 claims, is located in a geologically favourable belt of volcanic and sedimentary rocks upwards of two miles in width and thirty miles in length, which contain a number of small gold showings as well as one base metal deposit. Possibilities for the occurrence of orebodies of economic importance elsewhere along the belt are considered sufficiently attractive to warrant systematic prospecting in an effort to find them. On the basis of information presently available, the Contact Gold Mines Limited property would appear to be as well-located as any other ground along the belt.

### RECOMMENDATIONS

In order to test the possibilities of the property, it is recommended that the ground be systematically prospected by means of a ground geophysical survey, both magnetometric and E-M, followed by geological mapping and surface prospecting, and by follow-up drilling of selected anomalies found as a result of the survey, if considered warranted.

Since some parts of the property are covered with water, the geophysical survey can best be carried out in the winter, but most of the other work mentioned will have to be done later, after the snow has left the ground.

### ESTIMATE OF COST

Cost of the above-mentioned work is estimated as follows:

#### Geophysical Survey -

Base line and one tie line. X-lines	
200' apart, including office work,	
line cutting. 102 miles @ \$50.00	\$ 5,100.
Mag Survey 96 " @ 50.00	4,800.
E-M Survey 96 " @ 50.00	4,800.

14,700.

Geological Mapping	1,000.
Prospecting	2,000.
Possible follow-up drilling	5,000.
Consulting fee, admin. & contingencies	3,000.

Total: \$25,700.

Attention is called to the recently approved Government of Saskatchewan Precambrian Assistance Program, which is designed to encourage exploration for and development of new mines in the northern part of the Province.

The assistance is offered as a fifty percent rebate of exploration expenses incurred in the search for mines in the Precambrian area of the Province and it is suggested that, if work is proceeded with, consideration be given to applying for such assistance.

### LOCATION AND ACCESS

The property owned by Contact Gold Mines Limited consists of a somewhat irregular block of 41 claims, with area of about 2,100 acres, as shown on the attached map. It is located north and west of Preview Lake, La Ronge Mining District, Province of Saskatchewan, about six miles north of the main body of Lac la Ronge, and about 30 air miles northeast of the settlement of La Ronge, which is some 180 miles north of Prince Albert, with which it is connected by an all-weather highway.

The property is accessible by ski or float-equipped aircraft from La Ronge, or by road via an all-weather highway which extends in a northeasterly direction from La Ronge to the Churchill River. From about Mile 38 on this highway, a bush road passable by four-wheel drive vehicles extends to the south part of the claims, a distance of about four miles



## HISTORY and PREVIOUS WORK

The property is located in an area that has been prospected at intervals since 1929. During this time a number of gold showings were found along a length of nearly nine miles in a belt of greenstones which strike NE-SW through sulphide and Preview Lakes. The gold occurs in a series of small, more or less parallel quartz veins and stringers which are mostly associated with bands of iron formation. Extensive surface trenching has been done on them, several have been diamond drilled to relatively shallow depth, and a small amount of selected ore has been mined from one vein, which is located near the southeast corner of the Contact Gold Mines Limited group of claims.

Judging by results of development available to me, it would appear that the known gold bearing veins are too small and/or too low grade to be of commercial interest at this time.

A base metal deposit (copper) occurs on the property of Anglo Rouyn Mines Ltd., which lies some 12 miles southwest of the Contact Gold property. Here there is reported to be developed by drilling and underground work some 2,000,000 tons of ore averaging 1.95% copper with low values in gold and cobalt. It is contained in an orebody whose average width is 18.5 feet, but it is said to be of limited vertical extent.

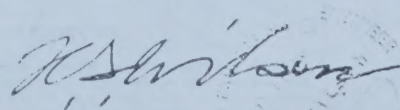
Some work was done by Contact Gold Mines Limited in 1960-61 on two groups of claims held under option lying immediately southwest of the present group. This consisted chiefly of surface work and diamond drilling of several gold showings, and it included an airborne (helicopter) mag. and E-M survey of both groups, one of which included the nine southernmost claims of the present property. At this time, a gold discovery was made on claim T03, which forms part of the present property, but no appreciable work was done on it, and it is understood that the balance of the claims forming the present property have not been systematically prospected.

## CERTIFICATE

I, Harold S. Wilson, of 179 Reynold Street, Oakville, in the Province of Ontario, hereby certify:

1. THAT I am a geologist and mining engineer and reside at 179 Reynold Street, Oakville, Ontario.
2. THAT I am a graduate of McGill University, B.Sc. 1924, M.Sc. 1925, with two years further post-graduate work in geology at the University of Wisconsin, and have been practicing my professional as a geologist and mining engineer for upwards of thirty-five years.
3. THAT I have no direct or indirect interest whatsoever in the mining claims referred to in the accompanying report or in the securities of Gulch Mines Limited or in Contact Gold Mines Limited, nor do I expect to receive any such interest.
4. THAT the accompanying report is based on examination of documents and maps, as listed in the body of the report, supplemented by discussion with geologists who are familiar with the area in which the claims are located.
5. THAT I examined the data referred to in the accompanying report in November and December, 1964.

DATED at Oakville, Ontario, this 9th day of December, 1964.

  
H. S. Wilson, P.Eng.



12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	<p>The Company is advised by Contact Gold Mines Limited that Preview Mines Limited, 31 - 1168 Albert Street, Regina, Saskatchewan, is the only person having a greater than 5% interest in Contact Gold Mines Limited. It is understood that Preview Mines Limited is a private company incorporated under the laws of the Province of Saskatchewan and controlled by its directors, namely:</p> <p>E. H. Thode - Saskatoon R. V. Tomkins - Regina Forrest Hetland- Saskatoon Lloyd Johnson - Sacramento, Calif. Olaf Folstead - Tisdale, Sask. E. G. Kennedy - Saskatoon Elmer MacKevin - Delisle, Sask.</p> <p>With the exception of Mr. MacKevin, all the above Directors of Preview are also Directors of Contact.</p>												
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	NONE												
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	NONE												
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>The Company's Transfer Agent advises that as of Dec. 31, 1964 the five largest registered shareholders were as follows:</p> <table><thead><tr><th>Name</th><th>Shares</th></tr></thead><tbody><tr><td>Draper Dobie &amp; Co. Ltd., 25 Adelaide Street West, Toronto 1, Ontario.</td><td>225,400</td></tr><tr><td>New Bidlamaque Gold Mines Ltd., 60 Yonge Street, Suite 710, Toronto 1, Ontario.</td><td>800,000</td></tr><tr><td>Playfair and Company, 60 Yonge Street, Toronto 1, Ontario.</td><td>231,277</td></tr><tr><td>Playfair and Company Limited, 60 Yonge Street, Toronto 1, Ontario.</td><td>230,515</td></tr><tr><td>James Richardson &amp; Sons, 173 Portage Avenue East, Winnipeg, Manitoba.</td><td>192,513</td></tr></tbody></table> <p>With the exception of New Bidlamaque Gold Mines Ltd. which is the beneficial owner of shares shown against its name, the Company is not aware of beneficial owners of other shares shown above.</p>	Name	Shares	Draper Dobie & Co. Ltd., 25 Adelaide Street West, Toronto 1, Ontario.	225,400	New Bidlamaque Gold Mines Ltd., 60 Yonge Street, Suite 710, Toronto 1, Ontario.	800,000	Playfair and Company, 60 Yonge Street, Toronto 1, Ontario.	231,277	Playfair and Company Limited, 60 Yonge Street, Toronto 1, Ontario.	230,515	James Richardson & Sons, 173 Portage Avenue East, Winnipeg, Manitoba.	192,513
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Playfair and Company Limited, 60 Yonge Street, Toronto 1, Ontario.	230,515												
James Richardson & Sons, 173 Portage Avenue East, Winnipeg, Manitoba.	192,513												
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	<p>The present officers and directors of Gulch Mines Limited may be in a position to materially affect control of the Company if they are able to obtain sufficient proxies from other shareholders and from the five largest shareholders as disclosed in Item 15 above.</p>												
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table><thead><tr><th>Investments as at Dec. 31, 1964</th><th>Cost</th><th>Market Value as at Dec. 31, 1964</th></tr></thead><tbody><tr><td>Tombill Mines Limited - 110,800 shares</td><td>\$57,372.77</td><td>\$128,528.00</td></tr><tr><td>Glen Echo Mines Limited - 50,000 shares</td><td>5,008.00</td><td>3,000.00</td></tr></tbody></table>	Investments as at Dec. 31, 1964	Cost	Market Value as at Dec. 31, 1964	Tombill Mines Limited - 110,800 shares	\$57,372.77	\$128,528.00	Glen Echo Mines Limited - 50,000 shares	5,008.00	3,000.00			
Investments as at Dec. 31, 1964	Cost	Market Value as at Dec. 31, 1964											
Tombill Mines Limited - 110,800 shares	\$57,372.77	\$128,528.00											
Glen Echo Mines Limited - 50,000 shares	5,008.00	3,000.00											
18. Brief statement of any lawsuits pending or in process against company or its properties.	NONE												
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	NONE												
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	<p>There are no other material facts and there are no shares of the Company in the course of primary distribution to the public.</p>												

DATED January 18, 1965.

**CERTIFICATE OF THE COMPANY**

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed)

"J. A. Grant"

"S. H. Robinson"

GULCH MINES LIMITED.

CORPORATE SEAL

**CERTIFICATE OF UNDERWRITER OR OPTIONEE**

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)